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\*Click <u>bookmarks</u> on the sidebar to jump to the full PDF version or click the <u>web link</u> to view the article online in your browser.

1 - Bridge pollution: Sneaks past lungs, El Paso Times Editorial Board, 2/4/13 http://www.elpasotimes.com/opinion/ci\_22512001/bridge-pollution?IADID=Search-www.elpasotimes.com-www.elpasotimes.com

Summary: Now U.S. congressman Beto O'Rourke, D-El Paso, can add the "health card" to his deck of reasons traffic congestion on our international bridges is an all-around negative. We already knew idling diesel engines caused harmful pollution when trucks queue, sometimes for more than two hours, waiting to cross into El Paso from Juárez. Now there is new scientific data provided by UTEP research assistant professor Hector Olvera and his team.

- 2 Green Connection: Cleanup coordinator gets national award, Las Cruces Sun, 2/2/13 http://www.lcsun-news.com/ci\_22505610/green-connection-cleanup-coordinator-gets-national-award?IADID=Search-www.lcsun-news.com-www.lcsun-news.com
  Summary: Won any national awards lately? Joe Padilla just won a big award with Keep America Beautiful (yes, the national organization in Washington D.C.), for his ongoing efforts as coordinator of Keep Doña Ana County Beautiful. Next time you see him, offer your congratulations!
- 3 Energy industry develops environmentally friendly fracking fluids, BR Advocate, 2/4/13 http://theadvocate.com/home/5091304-125/energy-industry-develops-environmentally-friendly Summary: The oil and gas industry is trying to ease environmental concerns by developing nontoxic fluids for the drilling process known as fracking, but it's not clear whether the new product will be widely embraced by drilling companies.
- 4 New Congressional report summarizes BP Deepwater Horizon oil spill actions, NOLA, 2/1/13 http://www.nola.com/news/gulf-oil-spill/index.ssf/2013/02/new\_congressional\_report\_summa.html#incart\_river Summary: The Congressional Research Service has issued a new report summarizing information about the BP Deepwater Horizon accident and oil spill, including the few actions taken by Congress in its response. The research arm of Congress does not publicly release its reports, but individual members of Congress often do, and this one appears on a Web site maintained by the Federation of American Scientists.
- 5 Grapevine sixth-graders tackle water issues, Star Telegram, 2/4/13 http://www.star-telegram.com/2013/02/03/4597206/grapevine-sixth-graders-tackle.html Summary: Terie Wied's sixth-grade students at Cross Timbers Middle School in Grapevine are spending time today trying to solve tomorrow's problems. Three units of Wied's gifted and talented language arts classes are participating in a year-long project called Operation H {-2}O. The project is intended to bring local, national and global water concerns to the forefront and help craft a plan of action.
- 6 For BP, the Cleanup Isn't Entirely Over, WSJ, 2/3/13

http://online.wsj.com/article/SB10001424127887323926104578277761760467452.html?KEYWORDS=environment al+protection+agency

Summary: As BP BP.LN -2.04%PLC gears up to report on Tuesday on its performance in the last quarter of 2012, it appears on the surface at least that the oil giant has much to cheer after a difficult 2½ years. It has sold its stake in its troublesome, though lucrative, Russian joint venture and has completed its massive \$38 billion divestment program a year early. It has settled criminal charges with the U.S. Justice Department over the April 2010

Deepwater Horizon disaster, and the recent approval of that \$4 billion settlement by a U.S. district court judge in New Orleans closes the door on all federal criminal charges.

7 - Judge Rejects EPA PM Testing Suit, Citing Lack Of Jurisdiction, Standing, Inside EPA, 2/1/13

http://insideepa.com/201302012423385/EPA-Daily-News/Daily-News/judge-rejects-epa-pm-testing-suit-citing-lack-of-jurisdiction-standing/menu-id-95.html

Summary: A federal district judge has rejected a free-market group's suit aiming to block EPA's study exposing human subjects to fine particulate matter (PM2.5), saying the court lacks jurisdiction to hear the case as the tests are not final agency action subject to judicial review and that the group has no standing to sue as it is not harmed by the tests.

8 - McCarthy For EPA Administrator?, Inside EPA, 2/2/13

http://insideepa.com/EPA-Blog/The-Inside-Story/menu-id-97.html

Summary: EPA air office chief Gina McCarthy is said to be President Obama's likely nominee to replace outgoing agency Administrator Lisa Jackson, according to press reports, which could spur a contentious Senate confirmation process given McCarthy's leading role in crafting EPA's climate rules and other contentious air quality measures.

9 - Obama has kicked off a new conversation -- but where it's going is still unclear, EENews, 2/4/13

http://www.eenews.net/EEDaily/2013/02/04/1

Summary: President Obama and Democrats in Congress are talking about climate change again -- and environmentalists are delighted.

10 - Experts say human impacts of climate change need prompt attention, EENews, 2/4/13

http://www.eenews.net/climatewire/2013/02/04/3

Summary: When they picture the adverse effects of climate change, public health scientists hope the American public won't think of them as something that happens to glaciers or polar bears, but turn the focus more on themselves.

11 - Sewage treatment facilities can be green centers -- report, Greenwire, 2/1/13

http://www.eenews.net/Greenwire/2013/02/01/17

Summary: Wastewater treatment plants, which once sent barely treated effluent, chemicals and soap suds into the nation's waterways, are on their way to becoming centers of environmental stewardship, a new report contends, laying out policies needed to spread the trend.

12 - Bernhard in running for post, BR Advocate, 2/4/13

http://theadvocate.com/home/5077601-125/bernhard-in-running-for-post

Summary: U.S. Energy Secretary Steven Chu, who won a Nobel Prize in physics but came under questioning for his handling of a solar energy loan, is stepping down and a Baton Rouge businessman may be up for the post.

Bridge pollution: Sneaks past lungs

Page 1 of 1

#### **Bridge pollution: Sneaks past lungs**

El Paso Times Editorial Board El Paso Times Posted:

ElpasoTimes.com

Now U.S. congressman Beto O'Rourke, D-El Paso, can add the "health card" to his deck of reasons traffic congestion on our international bridges is an all-around negative.

We already knew idling diesel engines caused harmful pollution when trucks queue, sometimes for more than two hours, waiting to cross into El Paso from Juárez. Now there is new scientific data provided by UTEP research assistant professor Hector Olvera and his team.

It's scary data. Ultrafine particles that our lungs can't filter out are not only affecting persons on the bridges, but Olvera said the above-normal level of emissions may be found at the Chamizal National Memorial and at Bowie High School.

The Olvera team conducted its testing at the Bridge of the Americas in 2009 and has been analyzing the data since. Last month, the findings were published in the Journal of Exposure Science and Environmental Epidemiology.

Speeding international bridge traffic flow is one of O'Rourke's main initiatives in Congress. It has mostly centered on the El Paso economy. Faster flow would mean more jobs in El Paso. Trade with Mexico is one of our main economic drivers.

Slow-moving cargo began when border security was ramped up following 9/11. The call here, and at other U.S. southern international ports, has been for more Customs and Border Protection officers to allow for more bridge lanes to be open at any given time.

Now the UTEP report suggests the CBP officers are most vulnerable to these tiny emissions particles that are smaller than 1-billionth of a meter.

Olvera said these nanoparticles ... "are so small they can reach our bloodstream. Other studies have shown that after entering the bloodstream, they end up in our brain, liver, bone marrow and kidneys."

O'Rourke said, "When we keep bridge-crossers in line for hours at a time, it's bad for our economy, it's harmful to our regional competitiveness and it's inhumane to those affected ..."

That includes people living in the adjacent neighborhoods.

Former U.S. Congressman Silvestre Reyes, D-El Paso, brought many national border officials here over the years to witness the long lines of diesel trucks and other vehicles backed up. The problem is not unknown in Washington, D.C.

O'Rourke strongly advocated for speeding traffic flow in his successful run for Congress -- more officers, continued implementation of technology at hand.

There has always been data supporting the need to get goods from Mexico into the U.S. in a more timely manner. Now Olvera and his team have added the new, enhanced health-scare data to further support that goal.

## Green Connection: Cleanup coordinator gets national award

By ChrisAnn Johnson and Suzanne Michaels / For My Las Cruces Las Cruces Sun-News Posted: lcsunnews.com

Won any national awards lately? Joe Padilla just won a big award with Keep America Beautiful (yes, the national organization in Washington D.C.), for his ongoing efforts as coordinator of Keep Doña Ana County Beautiful. Next time you see him, offer your congratulations!

Joe is the guy who, on any given Saturday morning, may be overseeing four or five illegal dumping cleanups around the county. Or he may be the man behind the wheel driving the big CAT scooping up illegally dumped waste. Or he may be the guy planting a tree, to beautify a school campus.

Why? Padilla explains, "I'm a hiker; I spend a lot of time out there on the trails. I come across a dumpsite of shingles, a mattress it destroys the landscape and the beauty of the landscape. That's the heartbreaking part for me."

This year, the Keep America Beautiful Distinguished Service Citation goes to Keep Doña Ana County Beautiful, which has excelled in engaging the citizens of the county through educational initiatives concerning cleanups, beautification and litter prevention.

Keep Doña Ana County Beautiful is the only affiliate out of 587 Keep America Beautiful affiliates nationwide, being recognized for litter prevention at this year's National Awards.

"I was handed the Keep Doña Ana County Beautiful Coordinator Position in December of 2007," says Padilla. And since he arrived on the scene, KDACB has grown from few or no events to heavy-duty community involvement and community partnerships.

Padilla noted, "This is the third year we have received a national award; all these awards are made possible because of the volunteers and partnerships of Keep Doña Ana County Beautiful."

In 2012, Keep Doña Ana County Beautiful helped implement events like the Great American Cleanup, a nationwide beautification initiative, and the National Day of Action, a large-scale county cleanup gearing to getting residents involved first-hand in efforts to better the environment of the community. Joe Padilla works through the courts, putting residents to work who need to complete community service hours, and helps carry our Dumpster Days around the county to help rural communities manage their trash.

Padilla is a busy man. On top of growing Keep Doña Ana County Beautiful into an effective and award-winning program, he works as a County Codes Enforcement Officer. So, not only does he strive to prevent illegal dumping, he is also out in the community doing his part to correct those who dump illegally.

If we were all willing to do a fraction of what Joe does every day, Doña Ana County would

truly be an enchanting southern New Mexico environment in which to live. Congratulations, Joe! Thanks, for your hard work.

Green Connections is submitted by the South Central Solid Waste Authority, managing solid waste, recyclables, and fighting illegal dumping in the City of Las Cruces and Doña Ana County. contact the SCSWA at (575) 528-3800 or visit www.TheScrappyPages.com

Print preview Page 1 of 3

# Energy industry develops environmentally friendly fracking fluids



Associated Press file photo -- A worker steps through the maze of hoses being used in April 2009 at a remote fracking site being run by Halliburton for natural-gas producer Williams in Rulison, Colo. The oil and gas industry is trying to ease environmental concerns by developing nontoxic fluids for the drilling process known as fracking. But it's not clear whether the fluids will be widely embraced by drilling companies.

#### By KEVIN BEGOS

**Associated Press** 

**PITTSBURGH** — The oil and gas industry is trying to ease environmental concerns by developing nontoxic fluids for the drilling process known as fracking, but it's not clear whether the new product will be widely embraced by drilling companies.

Print preview Page 2 of 3

Houston energy giant Halliburton Inc. has developed a product called CleanStim, which uses only food-industry ingredients. Other companies have developed nontoxic fluids as well.

"Halliburton is in the business to provide solutions to our customers," production manager Nicholas Gardiner said. "Those solutions have to include ways to reduce the safety or environmental concerns that the public might have."

Environmental groups say they welcome the development but still have questions.

The chemicals in fracking fluids aren't the only environmental concern, said George Jugovic, president of PennFuture. He said there is also concern about the large volumes of naturally occurring but exceptionally salty wastewater and air pollution.

It's premature to say whether it will ever be feasible to have fluids for fracking that are totally nontoxic, said Scott Anderson, a senior adviser for the Environmental Defense Fund.

"But we are encouraged to some extent by recent industry efforts to at least reduce the toxicity," Anderson said.

Fracking, short for hydraulic fracturing, has made it possible to tap into energy reserves nationwide but also has raised concerns about pollution, since large volumes of water, along with sand and hazardous chemicals, are injected deep into the ground to free the oil and gas from rock.

Regulators contend that overall, water and air pollution problems are rare, but environmental groups and some scientists say there hasn't been enough research on those issues. The industry and many federal and state officials say the practice is safe when done properly, but faulty wells and accidents have caused problems.

Halliburton says CleanStim will provide "an extra margin of safety to people, animals and the environment in the unlikely occurrence of an incident" at a drilling site.

Gardiner said Halliburton has developed a chemistry-scoring system for the fluids, with lower scores being better. CleanStim has a zero score, he said, and is "relatively more expensive" than many traditional fracking fluids.

Both Jugovic and Anderson noted that one of the most highly publicized concerns about toxic fracking fluids hasn't really been an issue: the suggestion that they might migrate from thousands of feet underground, up to drinking water aquifers.

Print preview Page 3 of 3

"Most people agree there are no confirmed cases so far" of fracking chemicals migrating up to drinking water, Anderson said. But he added that simple spills of fluid on the surface can cause problems.

"The most likely of exposure is not from the fracking itself. It is from spills before the fracking fluid is injected," Anderson said.

There also may be technical and cost issues that limit the acceptance of products such as CleanStim.

There is tremendous variation in the type of shale rock in different parts of the country.

For example, drillers use different fluids even within the same state, and the specific mix can play a large role in determining how productive a well is.

Gardiner wouldn't say how widely used CleanStim is. "The customers who do use it certainly like the material," he added.

Terry Engelder, a geologist at Penn State University, said he visited a well in that state last year that used just water, sand and three additives in the fracking fluid.

But Engelder added that "green" and "toxic" can be "soft words without real meaning." He noted that consumers, businesses and farms use vast quantities of chemicals that can contribute to pollution, from cleaners and soaps to fertilizers and pesticides. Yet all those compounds are routinely flushed down the drain, ending up in nearby rivers and streams.

"Eventually industry would like to end up with a mix of just water, sand, and food -grade additives," Engelder said of fracking. "Companies are learning to deal with fewer and fewer additives."

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## New Congressional report summarizes BP Deepwater Horizon oil spill actions

By Mark Schleifstein, NOLA.com | The Times-Picayune

on February 01, 2013 at 3:30 PM, updated February 01, 2013 at 7:38 PM

The <u>Congressional Research Service</u> has issued a <u>new report summarizing information about the BP</u>

<u>Deepwater Horizon accident and oil spill</u>, including the few actions taken by Congress in its response. The research arm of Congress does not publicly release its reports, but individual members of Congress often do, and this one appears on a Web site maintained by the <u>Federation of American Scientists</u>.

According to the report, at the height of the spill during the summer of 2010, there were 47,000 response personnel and 7,000 vessels involved. As of January 2013, only 935 response personnel remained in the Gulf region, including, federal, state, and local government officials and employees of companies considered responsible parties and their contractors.

As of Oct. 3, 2010, federal government response costs had approached \$850 million, with most of that cost already reimbursed by BP, the report said.

According to the National Oceanic and Atmospheric Administration, the maximum extent of shoreline oiling involved almost 1,100 miles, and as of Dec. 32, about 339 miles of shoreline was still considered oiled and subject to further evaluation or cleanup operations.

The report also summarizes data provided by BP on the \$14 billion the company says it had spent through January on cleanup operations.

Those expenditures included \$705 million in reimbursements to the federal government, \$671 million in reimbursements to state governments and \$174 million for tourism promotion.

BP also has paid out \$6.7 billion in economic claims through the Gulf Coast Claims Facility, which oversaw the claims process from Aug. 23, 2010 to June 4, 2010; \$396 million given out under BP's own claims program between May 3 and Aug. 23, 2010; \$1.1 billion paid out through the settlement program overseen by the U.S. District Court in New Orleans following a settlement between private plaintiffs and BP; \$626 million paid out under BP's Vessels of Opportunity Program; and \$500 million that BP provided to operate an independent Gulf of Mexico Research Initiative.

Senate and House committees held more than 60 hearings in the aftermath of the spill, and legislators introduced more than 150 legislative proposals.

Congress enacted two statutes involving oil spill-related issues, according to the report:

The first was the Pipeline Safety, Regulatory Certainty and Job Creation Act of 2011, signed by President
Barack Obama in January 2012, which also was directed at the potential approval of the Keystone XL

Pipeline that would transport oil from tar sands in Canada to the United States.

The law increases civil penalties for violating safety requirements and requires use of automatic and remote-controlled shutoff valves on newly constructed transmission pipelines. It also requires the Department of Transportation to analyze leak detection systems and requires the Pipeline and Hazardous Materials Safety Administration to review whether current regulations are sufficient to regulate pipelines carrying "diluted bitumen," the technical name for the tar sands oil.

Congress also passed the RESTORE Act, signed by Obama in July 2012, which requires 80 percent of any administrative and civil Clean Water Act penalties involving the Deepwater Horizon spill to be placed in the Gulf Coast Restoration Fund for environmental and economic projects along the coast.

Based on the 4.1 million barrels of oil released into the Gulf during the spill, BP could be required to pay between \$5 billion and \$21 billion in Clean Water Act fines, of which 80 percent would go into the fund.

Of the money in the fund:

\*35 percent will be divided equally between the five Gulf states;

\*30 percent will be used for Gulf ecosystem restoration activities approved by a newly created Gulf Coast Ecosystem Restoration Council;

\*30 percent will be divided among the five states based on shoreline impact, oiled shoreline distance from the Deepwater Horizon rig and coastal population. Each state must submit its plans for using the money to the council for approval.

\*5 percent will support marine and oil industry research.

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### **Grapevine Courier**

#### Grapevine sixth-graders tackle water issues

Posted Sunday, Feb. 03, 2013

#### BY SHIRLEY JINKINS

syjinkins@star-telegram.com

GRAPEVINE -- Terie Wied's sixth-grade students at Cross Timbers Middle School in Grapevine are spending time today trying to solve tomorrow's problems.

Three units of Wied's gifted and talented language arts classes are participating in a year-long project called Operation H {-2}O. The project is intended to bring local, national and global water concerns to the forefront and help craft a plan of action.

Every year, the students participate in a competition called International Future Problem Solvers, in which students from all over the world create projects dealing with diverse topics ranging from hunger and violence to fitness and self-image.

Wied's 60 students are engaging in a popular new learning format called Problem Based Learning. The Problem Solvers program fits that educational philosophy and teaches real-world issues instead of theoretical concepts.

"We've been doing this a long time," Wied said. "The idea is for them to build a plan of action, look at all the solutions, and if they hit a roadblock, they know to go to Plan B."

Students choose their own topic, create an action plan and investigate solutions with guidance from a teacher or coach, Wied said.

"Kids have to have the passion, and they choose the project," Wied said. Other schools in the Grapevine-Colleyville district have used the Problem Solvers model and enter the competition as well.

The objectives of the Cross Timbers students include educating students and the community about the limited availability of drinking water in Texas and the world.

Their action plan includes promoting water conservation and encouraging lawmakers to put water infrastructure funding in the Texas legislative budget.

They are raising money to purchase equipment for an Indian village to provide its inhabitants with clean water.

The students have been researching the problems of water supply, quality and conservation, and have lined up speakers, including an official with the Texas Water Board, to come to the school. They form informational committees that travel to nearby elementary schools to speak to younger students about water issues.

They have composed letters to state lawmakers as they follow water legislation through the current legislative session.

So far, there's plenty to follow. The state Senate has filed two bills and the House of Representatives has filed four, Wied said.

They're encouraged to find a novel approach.

Kathan Shenoy, 11, created a Water Jeopardy game.

"It took me from two weeks to a month to research it," said the sixth-grader. "It has random water facts on supply, sanitation and disease."

The game has questions such as, "What is the most common waterborne disease in India?" (Answer: Diarrhea) and "How much water do you waste per month when you leave the tap running while you brush your teeth?" (Answer: More than eight gallons).

Collin Robisheaux, 11, is head of the public relations committee and says Operation H {-2}O is "a pretty fun project."

Robisheaux has lined up speakers and arranged assemblies at Cross Timbers. The experience has taught him to write professional letters and make calls to professionals to ask for assistance.

"I've never looked that deeply into it before," said Robisheaux of the water issues. "I was really surprised to see how it's already affected the world. It's not happening here [water shortages], but it might be."

Dilan Shah, who visited India recently, researched the country's water sanitation problems. Then, he started looking for workable solutions.

"I was looking for organizations that could give us advice about purification systems," he said.

He found a good one, a system that uses a series of filters to purify water without using a power source.

Such a critical subject could seem frightening, but Wied said the students remain upbeat because of their can-do attitude.

"With gifted kids particularly, they stay informed so they worry about situations," she said. "This gives them more control. It draws them out of that feeling of negativity and hopelessness."

Nicole Buhr, 12, is chairman of fundraising for Operation H {-2}O, and is writing the 12-page research paper to accompany their project.

She also goes to other schools to garner involvement for water issues.

"They're all aware, but when we tell them we're going to run out of water by 2030, it really gets their attention," Buhr said.

Wied said the students are learning invaluable skills in teamwork and planning in the Problem Solvers program.

And they are learning to be informed citizens.

"If we run out of water by 2030, I'll only be 30 years old," Buhr said. "It'll be a short life."

Shirley Jinkins, 817-390-7657

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#### THE WALL STREET JOURNAL

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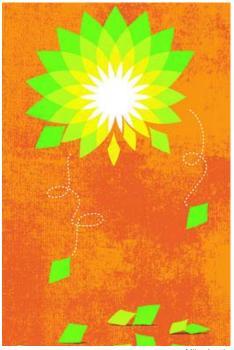
## For BP, the Cleanup Isn't Entirely Over

By SELINA WILLIAMS

LONDON—As BP PLC gears up to report on Tuesday on its performance in the last quarter of 2012, it appears on the surface at least that the oil giant has much to cheer after a difficult  $2\frac{1}{2}$  years.

It has sold its stake in its troublesome, though lucrative, Russian joint venture and has completed its massive \$38 billion divestment program a year early. It has settled criminal charges with the U.S. Justice Department over the April 2010 Deepwater Horizon disaster, and the recent approval of that \$4 billion settlement by a U.S. district court judge in New Orleans closes the door on all federal criminal charges.

But BP still faces a potentially costly battle with the U.S. government over civil penalties for the pollution unleashed in the Deepwater Horizon disaster that resulted in the worst offshore oil spill in U.S. history.



Mike Austin

In the worst-case scenario, if BP is found grossly negligent in the trial, which is scheduled to begin Feb. 25 in New Orleans and is expected to take at least a year, it could be liable under the Clean Water Act for a maximum fine of around \$21 billion for the 4.9 million barrels of oil the U.S. government says was spilled.

"This is a huge shackle on the company, and they're not going to be able to move freely until it's resolved," said Oppenheimer & Co. analyst Fadel Gheit. The penalty could be so substantial as to damage the company financially, he added.

BP has already spent or committed to spend \$36.5 billion in cleanup costs, criminal fines and settlements with individuals and businesses harmed by the spill. Around \$24 billion of that has already been paid out with the remaining—about \$12.5 billion—to be paid out over a number of years.

There is also a worry that the penalties for BP could include denying it access to the highly lucrative Gulf of

Mexico, where BP has significant operations, Mr. Gheit said.

BP is already under a temporary ban from obtaining new contracts with the U.S. government. This includes the barring of BP from bidding for any new leases in the Gulf of Mexico.

While BP has been talking to the Environmental Protection Agency, which imposed the temporary suspension in November, BP said that it could take some time to reach an administrative agreement with the EPA on this issue.

It isn't just BP's Gulf of Mexico ambitions that are on hold.

Potential plans to use some of the cash from the \$26.8 billion cash-and-shares deal with Russia's state-controlled oil company OAO Rosneft to reward investors with a special dividend or a share buyback could be delayed, as BP may not want to release billions of dollars back to shareholders before the scale of the civil penalties is clear, say some investors.

The lack of a settlement is also continuing to weigh on the company's share price, which is still down around 28% below where it was trading before the Deepwater Horizon rig exploded in the Gulf of Mexico.

Investors have been hoping for a settlement before the trial commences later this month. But time is running out and BP has indicated that it is preparing vigorously for trial.

"People can take good or bad news, but they can't take uncertainty," said Paul Mumford, senior fund manager at Cavendish Asset Management, and a BP shareholder.

"The best course would be for it to be done and dusted even if the terms were slightly disappointing," added Mr. Mumford.

—The Week Ahead looks at coming corporate events.

Write to Selina Williams at selina.williams@dowjones.com

A version of this article appeared February 4, 2013, on page B2 in the U.S. edition of The Wall Street Journal, with the headline: For BP, the Cleanup Isn't Entirely Over.

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**Daily News** 

# Judge Rejects EPA PM Testing Suit, Citing Lack Of Jurisdiction, Standing

Posted: February 1, 2013

A federal district judge has rejected a free-market group's suit aiming to block EPA's study exposing human subjects to fine particulate matter (PM2.5), saying the court lacks jurisdiction to hear the case as the tests are not final agency action subject to judicial review and that the group has no standing to sue as it is not harmed by the tests.

The Jan. 31 opinion by U.S. District Court for the Eastern District of Virginia Judge Anthony Trenga comes after the judge raised jurisdictional doubts over the suit during a Jan. 3 hearing on an agency motion to dismiss the suit. Although Trenga did not dismiss the suit at that time, he also rejected a temporary restraining order by the free-market American Tradition Institute (ATI) seeking to halt all EPA PM2.5 human tests pending a ruling in the suit.

In a Feb. 2. statement on Trenga's subsequent decision to dismiss the lawsuit entirely, ATI lawyer Steven Milloy said, "Judge Trenga's ruling means that no third party can stop illegal human experimentation by government researchers." Milloy also told *Inside EPA* that ATI has not yet decided whether it will appeal the decision.

The group in its lawsuit, *ATI v. EPA*, sought a court order forcing a halt to the agency's CAPTAIN study, which exposes human volunteers to very low doses of PM2.5 in order to better characterize the pollutant's harmful health effects. The group also wanted the court to halt any EPA rules that may depend on the study's results.

EPA says the risk involved to study participants is minimal, but ATI says the agency failed to properly warn volunteers of the risks, which include increased likelihood of cancer or premature death. This failure contravenes the Common Rule that governs the conduct of human studies by multiple government agencies, ATI says.

The agency says that CAPTAIN and previous studies on exposure to air pollutants adhere to the Common Rule. Human testing is core to the agency's research underpinning national ambient air quality standards (NAAQS) for PM2.5 and other pollutants, as it provides more direct health effects data than epidemiological studies. EPA's lawyers have called ATI's lawsuit a "broad programmatic attack" on the NAAQS.

However, Trenga in his ruling did not address this argument, finding instead that ATI failed to identify a final EPA action that could be challenged under the Administrative Procedure Act (APA). Trenga says, "this Court finds that the challenged EPA conduct does not constitute 'final agency action' for the purpose of the APA."

ATI alleges EPA's "failure to act" by not warning study participants of the risks constitutes final action, but Trenga says this conflicts with Supreme Court precedent in *Norton v. Southern Utah Wilderness Alliance*, a 2004 ruling that held that a failure to act must apply to failure to promulgate a rule or take an action with equivalent legal effect. "Here, ATI does not claim that EPA failed in its duty to promulgate or issue an agency rule, only that it failed to comply with one. This kind of conduct does not constitute agency action," Trenga writes.

#### **Lack Of Standing**

Trenga also ruled that ATI lacks both constitutional and prudential standing for the suit. He says that ATI lacks standing under Article III of the Constitution, because the group cannot show "injury in fact" traceable to EPA's conduct. None of the plaintiffs are participants in CAPTAIN, or can show tangible harm from it, the judge says, rejecting plaintiffs' arguments of emotional distress and damage to professional reputation.

Further, Trenga says ATI cannot show prudential standing, a requirement that injury be sustained within the "zone of interests" of a relevant statute. ATI claims such standing to challenge the tests under the National Research Act, but given the lack of tangible injury, the group fails this test, Trenga says.

Milloy in his statement says, "It's unfortunate that Judge Anthony Trenga opted to hide behind a procedural technicality to avoid adjudicating" the case. He says, "We can prove that EPA conducted illegal experiments, lied to the study subjects and committed assault and battery on its human guinea pigs." He asserts that the "ruling leaves open the door for human subjects to challenge the legality of the experiments."

EPA lawyers in the case suggested that study participants could sue the agency to challenge the tests under the Federal Tort Claims Act, and that any final rules that may in the future rely on CAPTAIN could be considered final agency action, and hence judicially reviewable under the APA.

While ATI's case relied on EPA's repeated assertions of PM2.5's potentially lethal effects to show the danger to study participants, Milloy in a <u>Jan. 22 Washington Times article</u> doubts the harmful effects of PM2.5 claimed by EPA. Recent episodes of high air pollution in Beijing would suggest a surge in sickness and death far beyond the numbers so far reported, Milloy says.

However, "there is no evidence from China that the EPA's claims about PM2.5 are anywhere close to being true," even if Chinese authorities are under-reporting pollution-linked deaths, Milloy writes. "We have just witnessed a natural and real-life experiment in China of the agency's PM2.5 hypothesis. So far, it seems, the EPA's hypothesis is failing miserably," suggesting that the agency is wrong to say that expensive air regulations are justified by the large numbers of lives they will save. -- Stuart Parker ( sparker@iwpnews.com )

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The Inside Story Page 1 of 10



The Inside Story

#### McCarthy For EPA Administrator?

Posted: February 2, 2013

EPA air office chief Gina McCarthy is said to be President Obama's likely nominee to replace outgoing agency Administrator Lisa Jackson, according to press reports, which could spur a contentious Senate confirmation process given McCarthy's leading role in crafting EPA's climate rules and other contentious air quality measures.

Obama is "leaning toward" selecting McCarthy to run EPA in the president's second term, according to a <u>Feb. 1 Reuters article</u> though the sources quoted say that Deputy Administrator Bob Perciasepe is also in the running.

During an exclusive Jan. 18 interview with *Inside EPA*, McCarthy sidestepped a question on whether she is interested in being the next agency administrator. "The only thing I can tell you is that for four years I have had the great pleasure of working for Lisa Jackson who I consider to be just an extraordinary leader, administrator and individual. She's still here. I'm going to keep working for her as long as she is here and then I'll turn my attention to the future," she said.

In the same interview, she also downplayed prospects for speedy action on pending EPA climate rules.

That could cause concern from top Senate Democrats, who recently <u>wrote to Obama</u> urging him to ensure the next EPA chief will focus heavily on air and climate change issues. In a Jan. 29 letter to Obama, which was signed by several key committee chairs, the Democrats said the EPA nominee must be "another strong leader . . . who will work to craft bold solutions to these serious problems, as well as enforce the Clean Air Act and our other landmark laws that protect public health."

One environmentalist said the letter was intended to support Mary Nichols, the chair of the California Air Resources Board. In addition to McCarthy, other candidates <u>said to be under consideration</u> as the next EPA administrator are former Washington Gov. Christine Gregoire (D), and former Pennsylvania environment secretary Kathleen McGinty.

Given the president's strong support for addressing climate change, any EPA nominee is likely to face heat over climate and other policy measures. But unlike some of the other names said to be under consideration, McCarthy has served in state governments in Massachusetts and Connecticut for <u>both Democratic and Republican governors</u>, including then Gov. Mitt Romney (R-MA), which could help temper some criticism and may make McCarthy less of a lightning rod than Nichols.

If the president selects McCarthy it could also help him rebut criticism about a lack of diversity in his cabinet after he was faulted for selecting white men for several key posts, including former Sen. John Kerry (D-MA) as the next Secretary of State, former Sen. Chuck Hagel (R-NE) as defense secretary and Jacob Lew as treasury secretary.

In response to claims of a lack of diversity in his second term appointments, Obama at a Jan. 14 press conference said, "I'm very proud that in the first four years we had as diverse if not more diverse a White House and a cabinet than any in history and I intend to continue that. . . . Until you've seen what my overall team looks like, it's premature to assume that somehow we're going backwards. . . . We're not going backwards, we're going forward."

McCarthy has been EPA air chief since winning Senate confirmation in 2009, and has overseen the agency's vehicle fuel economy and greenhouse gas (GHG) rules, and the "tailoring" rule establishing first-time GHG permitting requirements for industrial sources. As head of the Office of Air & Radiation (OAR), McCarthy is also overseeing work on the agency's proposed climate new source performance standards (NSPS) to limit GHGs from new power plants.

OAR was also responsible under McCarthy's watch for crafting the Cross-State Air Pollution Rule (CSAPR), an emissions trading program to reduce interstate air transport of power plants' criteria pollutants. A federal appeals court recently rejected EPA's bid for rehearing of a ruling vacating CSAPR, leaving Supreme Court appeal as the agency's only remaining option to preserve the rule.

The Inside Story Page 2 of 10

EPA's air rules have drawn attacks from Republicans and industry groups for imposing massive costs on the economy, but McCarthy has repeatedly defended the agency's air and climate regulations.

For example, at a June 19 EPA clean air panel hearing on the agency's oil and gas drilling sector air rule, McCarthy said in response to GOP criticism of the rule, "We used the best data currently available. We will continue to work with stakeholders to understand their concerns. . . . But what we're really talking about is: how good is the rule? Is it good, or really good?"

EPA recently <u>sought a stay of litigation</u> over the drilling sector air rule in order to review and likely grant some industry requests for reconsideration of key provisions.

The open top slot at EPA is one of several top energy and environment positions that are vacant for the president's second term. In addition to EPA, the administration must also fill open slots at the Departments of Energy and Interior. Top slots at the Departments of Transportation and Commerce, which have some environmental oversight, are also open.

#### **ADHD Data Included In Children's Health Report**

Posted: February 1, 2013

EPA has released the latest version of its report detailing indicators of children's environmental health, which for the first time includes data on chemical exposures that could be linked to attention-deficit hyperactivity disorder (ADHD) and other neurodevelopmental disorders, data that the Bush administration downplayed in the last version of the report.

More than four years in the making, the report, "America's Children and the Environment" (ACE), contains national statistics intended to show links or suspected links between environmental exposures and health effects for children and women of child-bearing age. The latest release comes nearly 10 years after the last edition was published.

EPA Administrator Lisa Jackson says the latest report shows "good progress" in reducing children's blood lead levels and exposure to tobacco smoke but there is still "much work to be done," including further research on the causes of increases in asthma rates, the potential impacts of early-life exposures to chemicals and disease disparities in minority children and children in low-income families, according to the report's foreword, released Jan. 25.

A former agency source notes that the progress touted in Jackson's latest statement, declining children's blood lead levels and reduced exposure to cotinine in cigarette smoke, were the same success stories pointed out in the 2003 ACE report.

The new report describes studies indicating links between environmental exposures to various metals and chemicals and ADHD, learning disabilities, autism spectrum disorders and mental retardation. And, for the first time, the report includes data regarding prevalence of diagnoses of these four disorders in children 5 to 17 years old between 1997 and 2010, gleaned from the National Health Interview Study conducted by the National Center for Health Statistics.

The report identifies lead, methylmercury and polychlorinated biphenyls (PCBs) as "widespread environmental contaminants associated with adverse effects on a child's developing brain and nervous system in multiple studies." But it also notes toxicological and recent epidemiological studies are indicating that additional chemicals "have been identified as potential concerns for childhood neurological development, but have not been as well studied for these effects as lead, mercury, and PCBs."

The report continues, "[a]mong the chemicals being studied for potential effects on childhood neurological development are organophosphate pesticides, polybrominated diphenyl ether flame retardants (PBDEs), phthalates, bisphenol A (BPA), polycyclic aromatic hydrocarbons (PAHs), arsenic, and perchlorate. Exposure to all of these chemicals is widespread in the United States for both children and adults."

The spring 2011 draft of the report led to critical comments from the chemical industry trade association American Chemistry Council, which argued that the draft report focused only on children's exposures to chemicals, without adequately considering children's overall health.

#### Chu To Resign As DOE Secretary

Posted: February 1, 2013

The Inside Story Page 3 of 10

Department of Energy (DOE) Secretary Steven Chu plans to step down in the coming weeks, touting his efforts to promote renewable energy and energy efficiency during his tenure but leaving a host of key policy decisions on natural gas exports, electric vehicles and other issues to his successor.

President Obama, who praised Chu's service in <u>a Feb. 1 statement</u>, is yet to announce a nominee to replace the departing energy secretary. But sources say candidates include former Michigan Gov. Jennifer Granholm (D), former Sen. Byron Dorgan (D-ND), Stanford University's Dan Reicher and several other potential names.

In a Feb. 1 statement, Senate Energy & Natural Resources Committee Chairman Ron Wyden (D-OR) said Chu would be a "tough act to follow," and that Obama should consider "the importance of encouraging innovation in new energy technologies, safeguarding taxpayer dollars and continuing the manufacturing revival spurred by stable natural gas supplies" when choosing a successor.

The next DOE secretary will have to resolve a host of outstanding issues, including policies on liquified natural gas exports and how the department can work to respond to Obama's inaugural address vow to tackle the "threat" of climate change. Although those issues remain unresolved, Obama and Chu are touting several achievements during the secretary's time at DOE.

Obama said Chu "helped my Administration move America towards real energy independence," pointing to increases in renewable energy and reductions in the United States' dependence on foreign oil. DOE has "expanded support for our brightest engineers and entrepreneurs as they pursue groundbreaking innovations that could transform our energy future," he said.

Chu told Obama shortly after the president's reelection that he intended to return to California, according to <a href="Chu's resignation">Chu's resignation</a>
<a href="Letter">Letter</a> sent to DOE staff. Chu says in the letter he will remain at DOE at least until the Advanced Research Projects Agency-Energy (ARPA-E) Energy Innovation Summit Feb. 25-27. "I may stay beyond that time so that I can leave the Department in the hands of the new Secretary," Chu wrote.

In his resignation letter, Chu touted the efforts of the ARPA-E advanced technology program, which he described as supporting "high-risk, high reward technology development; to swing for game-changing home runs that can fundamentally transform energy technologies."

Chu said initial government funding has been followed by significant private investment. While noting that it is "too early to tell" if there will be "home runs . . . there are a number of investments that have certainly rounded second base," he wrote.

Chu also defended DOE's loan guarantee program, which drew fire from congressional Republicans after the bankruptcy of the government-backed solar firm Solyndra and several other clean energy firms. He wrote that "While critics try hard to discredit the program, the truth is that only one percent of the companies of the companies we funded went bankrupt. That one percent has gotten more attention than the 99 percent that have not."

He wrote, "The test for America's policy makers will be whether they are willing to accept a few failures in exchange for many successes. America's entrepreneurs and innovators who are leaders in global clean energy race understand that not every risk can -- or should -- be avoided."

In a Feb. 1 statement, Sierra Club praised the ARPA-E and loan guarantee programs, applauding Chu "for taking difficult challenges head-on during his tenure at DOE."

#### **EPA Defends Lead Smelter Air Rule**

Posted: February 1, 2013

EPA is rejecting legal claims that it had a Clean Air Act duty to overhaul its emissions "floor," or maximum pollution limit used to set its maximum achievable control technology (MACT) air toxics rule for secondary lead smelters when conducting a review of the rule, saying the air law does not require it to consider such sweeping changes.

<u>In its Jan. 18 initial brief</u> in consolidated litigation over the air rule in the U.S. Court of Appeals for the District of Columbia Circuit, the agency also rejects a host of other challenges from environmentalists and lead smelting companies over the rule. Secondary lead smelters recycle lead from discarded components, such as batteries.

The Inside Story Page 4 of 10

For example, EPA says it reasonably determined that it did not need to tighten the MACT's emission limits when reviewing the rule; that it did not err when it set a two-year compliance deadline; and that the agency was correct to require that secondary lead facilities take extra steps to reduce their unintended "fugitive" emissions.

<u>The consolidated suits</u>, Association of Battery Recyclers, et al. v. EPA, challenge the agency's "residual risk" review of the secondary lead smelter MACT that it first issued in 1995 under section 112(d) of the Clean Air Act. The air law requires EPA to periodically review its air toxics regulations to determine whether developments in emissions control technology or health risks from exposure to a sector's air pollution warrant revising the standards.

EPA issued a Jan. 5 rule in which it said its technology review found many controls for lead smelting emissions are "readily available" and in use by many smelters, and so did not require stricter technology controls.

But the review of remaining risks from smelters found that the standards need to be stronger, and so the agency made changes including requiring full enclosure of operations to control fugitive emissions and lowering the emissions limit to 0.2 milligrams per dry standard cubic meter -- 10 times stricter than the existing MACT.

Environmentalists and RSR Corporation, which owns secondary lead smelters in California, Indiana and New York, claim EPA erred by not mandating stricter control technologies. Environmentalists say EPA should have reconsidered its MACT floor, or minimum stringency requirements. RSR Corporation says the agency wrongly rejected use of a wet electrostatic precipitator as the control technology for competitors' new lead recycling plants.

EPA in its recent initial brief counters that to grant environmentalists' and RSR Corporation's requests would amount to recalculating the MACT floor that the agency used to create the rule in 1995. The agency argues that such a broad overhaul -- which could effectively lead to writing a new rule -- is beyond the scope of the risk and technology reviews of MACTs that section 112(d)(6) of the air law requires EPA to perform every eight years.

"Tightening a valid MACT standard through a section 112(d)(6) review every eight years could thus repeatedly force further controls on sources regardless of cost, or adverse energy and environmental implications. For example, were EPA to recalculate a valid MACT floor every eight years, sources could be put in the untenable position of having to remove expensive control equipment installed to meet the initial MACT and to install only marginally better equipment at significant expense, and potentially requiring additional energy use, to meet the revised MACT standard."

"It is wholly reasonable for EPA to interpret section 112(d)(6)'s ambiguous directive that EPA revise emission standards 'as necessary' to avoid these consequences," according to the agency's brief. Earlier in the filing, EPA cautioned that the request from petitioners to reestablish the MACT floor could lead to EPA setting a standard based on "highly expensive technologies with adverse energy and environmental consequences."

Elsewhere in the brief, EPA rejects industry's claim that the rule violates the air law by regulating elemental lead -- a "criteria" pollutant -- under air toxics rules. The six criteria pollutants are subject to national ambient air quality standards.

The rule regulates lead compounds -- listed under the Clean Air Act as subject to air toxics controls -- but EPA uses total lead to determine lead compounds emitted. Industry says this violates the air law by regulating elemental lead, because elemental lead is included in total lead.

But EPA counters that simply using elemental lead in a measuring test for the rule does not mean the agency is regulating it as an air toxic. The agency also says it established its existing approach to the total lead measurement approach in the 1995 rule, so any challenges to that policy are barred by the statute of limitations.

Meanwhile, the agency also defends its decision to grant industry up to two years to comply rather than the three years sought by some companies, saying two years is the maximum the air law allows.

Industry in its filings also claimed EPA's justification for fugitive emissions controls is based on a flawed analysis. But the agency counters that its emissions estimates justifying the controls are supported by the administrative record, and an alternative analysis favored by industry "merely strengthens" EPA's decision.

EPA also rebuts challenges to its requirements that new or reconstructed smelters install continuous emissions monitoring systems (CEMS), saying that the provision is not ripe for judicial review because the requirement will not become effective until the agency adopts performance specifications for the CEMS.

The Inside Story Page 5 of 10

#### **Climate Task Force Seeks Proposals**

Posted: January 31, 2013

Democratic lawmakers' new climate change task force is seeking input from industries, unions, academics, environmentalists and others on options to cut greenhouse gases (GHGs) and boost climate resilience both under existing laws and proposals that would require congressional action.

The request for proposals is the first formal action by the task force, which House Energy & Commerce Committee ranking member Henry Waxman (D-CA) and Sen. Sheldon Whitehouse (D-RI) launched Jan. 24. "The window to prevent catastrophic climate change is rapidly closing. . . . We have a moral obligation to act," the lawmakers write in Jan. 31 letters seeking proposals.

The task force sent the letters to <u>various organizations</u> and <u>individual companies</u>, asking for submissions by Feb. 20 of proposals "both large and small" for reducing GHG emissions using both existing statutory authorities and those that would need new legislation.

On use of existing authority, the task force tells the groups that it welcomes suggestions for action "by the leading federal agencies like the Environmental Protection Agency and the Department of Energy, as well as recommendations for action by agencies that have been less visible in this debate, from the Appalachian Regional Commission to the U.S. Trade Representative."

The task force's effort follows President Obama's vow to address climate change in his second term. It also comes after Superstorm Sandy in late 2012 helped elevate global warming back into the political discussion after it was downplayed in the presidential campaign.

A press statement announcing the move references <u>a list of over 300 addressees</u>, and notes that among those receiving the request are the five largest oil companies, natural gas companies, coal companies, electric utilities, financial service companies and automakers. It also says the queries went to the three largest defense contractors and the top two U.S. and global reinsurers.

The task force says it intends to share the submissions with the Obama administration, a "climate change clearinghouse" being organized by Senate Environment & Public Works Committee Chairwoman Barbara Boxer (D-CA) and with "other leaders in Congress."

#### **EPA Proposes Key RFS Rules**

Posted: January 31, 2013

EPA has proposed two key renewable fuel standard (RFS) rules after the White House completed its reviews of the regulations -one setting 2013 RFS blending requirements and the other proposing a program to prevent fraud in the RFS biodiesel credit
market.

The White House Office of Management & Budget (OMB) approved both rules Jan. 30, the last major step before EPA can sign them and publish them in the *Federal Register*. Both are proposed rules and neither are deemed "economically significant," a threshold meaning they will have an annual impact on the economy of less than \$100 million or more.

The oil industry and renewable fuel producers are closely watching both proposals, and refiners have criticized what they say is EPA's delay in releasing the rules. The oil industry had previously urged the agency to release both proposals before the end of 2012.

The <u>first of the two policies</u> will establish the annual volume requirements for RFS categories, including cellulosic, biomass-based diesel, advanced biofuels and renewable fuels for the 2013 RFS. The American Petroleum Institute (API) recently called on EPA to release the proposal, saying oil companies need quick issuance of the rule to give them adequate lead time to plan biofuel purchases to comply with the RFS.

The Inside Story Page 6 of 10

The petroleum industry has complained in recent years that the RFS' annual cellulosic mandates are unworkable because no fuel has been produced to achieve the blending requirement. The industry must still pay millions of dollars in compliance credits to comply with the mandate.

API wants EPA to base the volume number for cellulosic ethanol based on actual production of the fuel, and not EPA's interpretation of a "technology-forcing" policy agenda that the court remanded. A federal appeals court in a recent ruling sided with API in remanding the agency's 2012 RFS cellulosic biofuel, saying the agency erred by setting 2012 volumetric requirements for production that were technology-forcing and tried to force additional production, even though the 2007 energy law that created the RFS only required it to be based on estimates of production.

The <u>second of the two RFS policies</u> EPA released proposes a quality assurance system designed to prevent fraud in the RFS renewable identification number (RIN) credit market. Echoing their calls for swift issuance of the 2013 RFS rule, refiners asked the agency to propose a QAP rule in 2012 but EPA missed that goal. Oil companies say the delay is prolonging uncertainty on the costs and legal issues involved in whatever final QAP program EPA issues.

The QAP would ensure RINs are valid, helping refiners avoid purchasing fraudulent credits for complying with the RFS and to provide an affirmative defense if parties purchase fraudulent credits. Such a plan would free refiners and other RIN purchasers from enforcement action and steep fines if it is found the RINs they used were generated fraudulently by biofuel producers.

Oil industry officials are urging EPA to <u>use its discretion</u> to vow it will not pursue enforcement actions against the sector if companies purchase RIN credits that are then found to be fraudulent, and to keep the vow in place until EPA finalizes the QAP rulemaking.

#### Alaska Fights EPA Ship Air Rule

Posted: January 31, 2013

Alaska is rejecting EPA's claim that a federal district court must dismiss the state's suit over a ship emissions rule crafted under the terms of a revised international treaty because courts must defer to the Obama administration's foreign policy, with Alaska claiming the rule is unconstitutional because Congress never approved the new treaty terms.

The state wants the U.S. District Court for the District of Alaska to deny the Department of Justice (DOJ) motion to dismiss filed on EPA's behalf. In the meantime, Alaska also wants the court to prevent EPA from enforcing an emissions control area (ECA) aimed at cutting emissions by limiting sulfur content of fuel used by ships within 200 nautical miles of the U.S. coast. EPA issued a rule to create the ECA -- including Alaska's coastline -- to comply with the revised global ship treaty.

Congress in 2006 ratified a protocol creating ship emission controls under what is known as Annex VI of the International Convention for the Prevention of Pollution from Ships, which is an agreement among the United States and other member countries of the International Maritime Organization to reduce shipping emissions.

The United States implements its treaty obligations domestically through EPA rules required by the Act to Prevent Pollution from Ships. Countries that are parties to the treaty agreed in 2008 to make updates to Annex VI to include creation of ECAs, and DOJ has argued in the suit that such updates do not need Senate ratification.

Alaska in a Jan. 18 brief in opposition to the motion to dismiss the ECA suit, State of Alaska v. Hillary Rodham Clinton, et al. disagrees and says the Senate must first give approval to forcing an ECA on the state. "Because the Constitution does not allow unreviewable executive lawmaking of this sort, the Court should declare the extension of the ECA to Alaska invalid, and enjoin enforcement of the ECA's low-sulfur fuel requirements," according to the brief.

DOJ says the court <u>lacks jurisdiction to hear the case</u>, as Alaska's claims are barred by the political question doctrine, which reserves discretion in the conduct of foreign affairs to the executive branch.

But Alaska says the administration's decision to issue the ECA without seeking Congress' approval exceeds its powers, and the court should "reject the United States' political question defense because accepting it would mean that Congress can delegate to the Secretary of State the authority to accept treaty amendments, but that courts cannot adjudicate claims that the Secretary has exceeded her statutory authority. Such a ruling would not express respect for the political branches; it would grant the Executive Branch powers at the expense of the Legislative Branch."

The Inside Story Page 7 of 10

In addition, implementation of an ECA in the state will create "significant harmful economy effects" on Alaska and its citizens by increasing the cost of transporting goods and resources to and from the state. "These increased costs will, in turn, be passed on and cause increases in the prices of goods the State purchases, and decreases in the State's royalties and production taxes on oil. These harms are irreparable because the State cannot recover damages from the United States due to its sovereign immunity. No party appears to dispute that the State will be harmed by enforcement of the ECA in Alaska," according to the state's brief.

Alaska also says it is entitled to an injunction against an ECA as the United States has not proved enforcing the rule will have a significant environmental benefit. "As the United States admits, even without the ECA, Alaska enjoys very clean air and meets the national ambient air quality standards for sulfur and [fine particulate matter (PM2.5)]. When the harms that the ECA will likely cause Alaska are balanced against its insignificant and speculative environmental benefits, the conclusion is clear: the States is entitled to an injunction," the state says.

#### **Groups Back EPA's Utility MACT**

Posted: January 30, 2013

A nonpartisan think tank and a group of law professors are jointly rebutting industry arguments that EPA's utility air toxics rule unlawfully relied on benefits from reductions of fine particulate matter (PM2.5), rather than from mercury and other air toxics, to justify the rule, while at the same time offering support for EPA's use of "unquantifiable" benefits to justify the measure.

In a joint <u>Jan. 29 amicus brief</u>, the Institute for Policy Integrity (IPI), together with several environmental law professors, support EPA's maximum achievable control technology (MACT) standard for coal- and oil-fired power plants, arguing that the agency's foundational determination that regulation of the facilities under Clean Air Act air toxics rules is "appropriate" and "necessary."

EPA is fending off challenges by states and utilities seeking to vacate the utility MACT in the consolidated U.S. Court of Appeals for the District of Columbia suit *White Stallion Energy Center, LLC, et al. v. EPA*. The agency is also fighting environmentalists' claims that it should have imposed stricter emissions controls.

In a Jan. 22 reply brief, EPA cited its Clean Air Act authority and recent appellate court rulings to justify its threshold decision to list power plants as sources subject to strict air toxics controls and the level of standards the agency set.

Among various claims, industry groups are arguing that EPA inappropriately considered co-benefits the rule would create, including reductions in greenhouse gases and PM2.5, as well as unquantifiable benefits to support the rule.

For instance, the U.S. Chamber of Commerce in an Oct. 30 *amicus* brief calls the counting of such benefits as "controversial and legally dubious," arguing that EPA's own analyses "show that essentially all of the purported benefits of the utility MACT would be achieved in areas that already meet" ambient air standards for PM2.5, "which by statute must be set at a level EPA has determined to be protective of public health with an adequate margin of safety."

But IPI in its brief argues that "including indirect benefits in regulatory impact analyses is required by federal administrative guidelines, recommended by standard economic methodologies and prior agency practices, and consistent with case law." For instance, the group cites the U.S. Supreme Court's 2001 ruling in *Whitman v. American Trucking Associations, Inc.* finding that "it seems bizarre that a statute [the Clean Air Act] intended to improve human health would . . . lock the agency into looking at only one half of a substance's health effects in determining the maximum level for that substance."

IPI also argues contrary to the Chamber that EPA "properly assessed" benefits below the PM2.5 NAAQS, saying that "treating the particulate matter NAAQS as an artificial endpoint for air quality benefits would undermine basic principles of public health science and cost-benefit analysis."

The group also offers support for EPA's use of unquantifiable benefits as part of the rule, saying that "Federal administrative standards, best economic practices, and rulings from this Court all counsel that unquantifiable does not mean unimportant." EPA in the final rule found that utilities' mercury emissions pose a hazard to up to 28 percent of watersheds, resulting in exceedances of EPA's mercury reference dose, the amount below which the agency does not anticipate adverse non-cancer health effects if consumed daily over a lifetime.

The Inside Story Page 8 of 10

But the agency was largely unable to quantify the benefits of reducing mercury and other hazardous air pollutants even though the rule seeks to regulate them, finding that only about \$6 million of the total economic benefits can be attributed to mercury reductions -- due to IQ improvements.

IPI, however, argues that D.C. Circuit has previously held "that uncertainty or insufficient data does not excuse agencies from qualitatively assessing regulatory effects," quoting a 2004 decision in *Public Citizen v. Federal Motor Carrier Safety Administration* that "the mere fact that the magnitude of [an effect] is uncertain is no justification for disregarding the effect entirely." The group adds that "standard cost-benefit theory and practice require decisionmakers to describe and evaluate unquantifiable effects" and that "federal guidelines on economic analysis explicitly require evaluating unquantifiable benefits."

Elsewhere in the brief, the environmental law professors argue that EPA in issuing its determination that the rule is "appropriate" and "necessary" correctly interpreted requirements under section 112(n)(1)(A), which says EPA "shall regulate electric utility steam generating units under [section 112] if the Administrator finds such regulation is appropriate and necessary after considering" a study examining whether power plant emissions result in "hazards to public health."

As part of the final rule, EPA reaffirmed a Clinton-era determination under section 112 that found that it is both appropriate and necessary to regulate both mercury and non-mercury toxics. The professors say that "Under this interpretation, the 'appropriate and necessary' finding was created as a triggering mechanism for application of the new, technology-based approach to regulating hazardous pollutants, not as an invitation to revive the old substance-by-substance safety-weighing approach for [power plants]."

The professors also support EPA's decision to regulate power plants under section 112 air toxics rules as a result of the finding, saying that "If Congress had intended to subject [power plants] to a different, subparagraph 112(n)(1)(A)-specific, form of regulation after EPA completed the health study, Congress would have directed EPA to regulate these sources 'under this subparagraph.' It did not."

#### **EPA Sends Tier III For OMB Review**

Posted: January 30, 2013

EPA has sent its long-delayed proposal setting "Tier III" fuel and vehicle emissions standards for White House Office of Management and Budget (OMB) pre-publication review, amidst calls by environmental groups and public health advocates for the agency to finalize the rule before the end of 2013.

The pending proposed rule is widely expected to tighten emissions standards for vehicles to reduce nitrogen oxides (NOx) and other pollutants while at the same time impose tighter sulfur limits on fuel. OMB review is the last step before the rule can be formally proposed and published in the *Federal Register*, and comes after EPA missed a number of non-binding, self-imposed deadlines for releasing the rule.

The American Lung Association's Paul Billings told reporters Jan. 30 that he is "pleased as punch" that EPA has sent the proposal for review. "We are happy that it has gone to OMB. It is really important to get this done this year," Billings said.

While review typically takes up to 90 days, OMB's website states that the rule will be proposed in March, which is consistent with the timing in EPA's latest Unified Agenda. EPA has slated the rule for finalization in December.

Environmentalists, state air regulators, labor unions and some lawmakers backing the rule say that EPA should finalize the rule by the end of the year so the tighter standards can take effect along with the Obama administration's tightened greenhouse gas and fuel economy rules for model year vehicles 2017-2025. EPA's rule is also intended to harmonize federal and California vehicle regulations.

Sources widely expect that the rule will reduce the sulfur content of gasoline to 10 parts per million (ppm), down from an existing maximum limit of 80 ppm and average of 30 ppm, which Billings said would reduce sulfur dioxide (SO2) emissions as well as NOx, given that sulfur is "poison" for catalytic converters.

State regulators say the measure is needed quickly to cut interstate ozone and NOx emissions, because without such cuts some eastern states cannot meet ozone ambient air standards by regulating their own sources. Billings noted in particular that eastern states will face greater challenges in meeting ozone standards after the U.S. Court of Appeals for the District of Columbia Circuit vacated EPA's Cross-State Air Pollution Rule emissions trading program, which targeted emissions of NOx and SO2.

The Inside Story Page 9 of 10

Billings said he expected that EPA in the Tier III rule could address the use of higher blends of ethanol beyond the 15 percent blend (E15) currently approved by EPA. Biofuel groups <u>are urging EPA</u> to qualify gasoline with ethanol blends as high as 30 percent as a "certification" fuel for the rule, as a strategy to promote the use of higher ethanol blends and boost octane to levels required by new higher efficiency vehicles.

Certifying E30 would allow use of the fuel without the need for EPA to issue another contentious waiver, which the oil industry, some engine manufacturers and others opposed to greater ethanol use would likely fight. Currently, the federal certification fuel contains no ethanol, despite the fact that standard gasoline is currently an E10 blend at most pumps.

Meanwhile, the Lung Association on the conference call touted public backing for Tier III, which a <u>new public opinion survey</u> says shows that the public broadly supports clean air and cleaner fuel. But opponents, including the American Petroleum Institute (API), have argued that the rule will create new costs for fuel production that will be passed on to consumers through higher gas prices.

API in a Jan. 30 statement also argued that the rule will "actually increase carbon emissions" because of the energy-intensive equipment refiners would need to use to comply, although EPA and environmental groups have downplayed potential cost increases and negative environmental impacts from the rule.

#### **Democrats Seek EPA Chief With 'Demonstrated Record'**

Posted: January 30, 2013

Top Senate Democrats are urging President Obama to nominate a candidate with a strong record on protecting public health as the next EPA administrator, a push that one environmentalist says could be aimed at supporting California's air chief Mary Nichols, who has a record implementing the state's landmark climate change program, though the letter does not endorse a particular candidate.

"It is critical that you appoint an [EPA] administrator who has both a vision and a demonstrated record of working to safeguard our children and families," says the Jan. 29 letter.

Five key committee chairs with oversight of aspects of climate policy signed the letter, including Sens. Barbara Boxer (CA), chair of the environment committee, Ron Wyden (OR), chair of the energy committee, Debbie Stabenow (MI), chair of the agriculture committee, Robert Menendez (NJ), chair of the Foreign Relations Committee, and Diane Feinstein, chair of energy appropriations subcommittee. Sen. Dick Durbin (IL), the Democratic whip, also signed the letter.

Should Obama nominate Nichols, who is currently chair of the California Air Resources Board (CARB) and served as EPA's air chief during the Clinton administration, it would likely prompt a major Senate battle given her record implementing California's climate change program, known as AB. 32.

Sen. James Inhofe (R-OK) -- a long-time opponent of efforts to regulate greenhouse gas (GHG) emissions who will vote on any nomination in the environment committee – has indicated that he hopes the administration's nominee signals a retreat on the administration's current regulatory policies. "Although I take a skeptical view, this appointment would provide this administration an opportunity to change its regulatory course," he said after current Administrator Lisa Jackson announced plans to step down.

But the letter to Obama signals that Democrats are pushing to address climate change. For example, the senators say they "stand ready to work with you to use available tools to provide stronger safeguards that will address dangerous air pollution, including carbon pollution." The letter adds that the EPA nominee must be "another strong leader . . . who will work to craft bold solutions to these serious problems, as well as enforce the Clean Air Act and our other landmark laws that protect public health."

The senators also welcome Obama's Jan. 21 inaugural remarks, where he promised to tackle the problem of climate change, as "an inspiration to all of us who seek to maintain and build on our nation's landmark public health and environmental protections."

The environmentalist says the letter is likely a push for Nichols, who as CARB's chair is implementing the nation's most sweeping GHG program. She also ran the EPA air office during the Clinton administration, where she successfully managed "the single most contentious battle of the entire administration" in updating the ozone and particulate matter air standards. Nichols "has an unbelievably good track record" and would likely want the top EPA post if asked, the source says.

The Inside Story Page 10 of 10

Nichols early this year went <u>silent on whether she may be in the running for the job</u> in contrast to remarks she made late last year through a spokesman that she had plenty of work to finish in California.

Other possible contenders for the top EPA spot are considered to be former Washington Gov. Christine Gregoire (D), former Pennsylvania environment secretary Kathleen McGinty, deputy EPA administrator Bob *Perciasepe* and current EPA air chief Gina McCarthy, though sources say the next administrator is most likely to come from outside the agency.

Other senators signing the letter include Bernie Sanders (I-VT), Brian Schatz (D-HI), Chris Murphy (D-CT), Kirsten Gillibrand (D-NY), Mazie Hirono (D-HI), Jeff Merkley (D-OR), Frank Lautenberg (D-NJ), Sheldon Whitehouse (D-RI), Bill Nelson (D-FL) and Ben Cardin (D-MD).

#### Start Prev 1 2 3 4 5 6 7 8 9 10 Next End

Page 1 of 394

Inside EPA	Air	Daily News
Clean Air Report	Water	Documents
Water Policy Report	Waste	Insider
Superfund Report	Energy	Blog
Inside Cal/EPA	Climate Policy Watch	
Risk Policy Report	On Capitol Hill	
Defense Environment Alert	Budget	SPECIAL REPORTS
Environmental Policy Alert	Litigation	Federal Facilities Watch
	Toxics	Outlook 2013
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#### THE BEST WAY TO TRACK CONGRESS

#### 1. CLIMATE:

## Obama has kicked off a new conversation -- but where it's going is still unclear

Jean Chemnick, E&E reporter
Published: Monday, February 4, 2013

President Obama and Democrats in Congress are talking about climate change again -- and environmentalists are delighted.

Greens on and off Capitol Hill have rushed to interpret Obama's inaugural pledge to "respond to the threat of climate change, knowing that the failure to do so would betray our children and future generations" as a harbinger of action -- starting with tough new greenhouse gas rules for power plants and a rejection of the proposed Keystone XL pipeline, which would bring Canadian oil sands crude to the Gulf Coast.

But Obama has given few hints about his climate agenda, preferring to focus instead on what he did in his first term, including curbs on auto tailpipe emissions and the first-ever U.S. greenhouse gas rules for power plants. And there's a growing expectation that one of Obama's first climate-related actions this year will be approval of TransCanada Corp.'s Keystone XL permit.

Obama may connect more of the policy dots during next week's State of the Union address, but until then, one of the only concrete new commitments he has made since his re-election in November was to initiate "a conversation across the country" on the risks of climate change and ways to address them.

Lawmakers, environmentalists and other experts all have their own views of what that conversation should look like and what it is likely to accomplish.

"I don't think the president is saying that all he'll do is talk about it," said Sen. Barbara Boxer (D-Calif.) at an event with reporters late last month. Boxer, who chairs the Senate Environment and Public Works Committee, said she expected the Obama administration to busy itself in the second term with developing policies to rein in emissions, while Democrats on Capitol Hill protect those efforts from Republican attacks (*Greenwire*, Jan. 22).

When it comes to boosting public awareness of climate change, however, Boxer said she expected Obama to lead and then get out of the way.

"When he says he's going to have a conversation, it doesn't mean he's going to go into every town in America and have a conversation," she said. "What he's talking about is using his organization: utilizing members of Congress who care about these issues; utilizing the radio, computer, everything else; communicating with people."

Boxer said the public would be more receptive to a message about climate change if it came from their neighbors rather than politicians.

"The president is not talking about him having a conversation; he's talking about the American people conversing about these issues that are starting to come up," she said.

Sen. Sheldon Whitehouse (D-R.I.) also said at a recent press availability with Rep. Henry Waxman (D-Calif.) that the conversation would be a grass-roots effort.

"I see the conversation as a way -- as the president spoke so eloquently about in his inaugural address -- of bringing that spirit of citizenship that is out there in the country to breach those barricades of special-interest

#### THE POLITICS AND BUSINESS OF CLIMATE CHANGE

#### 3. HEALTH:

#### Experts say human impacts of climate change need prompt attention

Jean Chemnick, E&E reporter
Published: Monday, February 4, 2013

When they picture the adverse effects of climate change, public health scientists hope the American public won't think of them as something that happens to glaciers or polar bears, but turn the focus more on themselves.

"The face of climate change ought to be people," epidemiologist George Luber, associate director for global climate change at the Centers for Disease Control and Prevention, said in an interview last week. "We ought to kind of internalize it."

Luber and Natural Resources Defense Council scientist Kim Knowlton took the lead in writing the human health chapter for the draft 2013 National Climate Assessment, which was released last month and is now open for public comment (*Greenwire*, Jan. 11). The report, which is the third of its kind, lays out the impacts climate change will have on the United States, including on its citizens' health.

While past reports focused on the future, the 2013 edition shows "it's already happening now," said Luber, speaking on the sidelines of a two-day symposium he helped organize, which was co-hosted by CDC and the National Institutes of Health.

Some of those effects are easily identified, like the injuries and loss of life that result from more frequent and intense storms. Others are more subtle, like loss of power after a storm that may expose a region to extreme heat from lack of air conditioning, the cumulative effect from more allergies due to higher pollen counts, and the introduction of new diseases from warmer climes that Luber said are already popping up in unlikely places.

"Those can be surprises," he said.

#### Toxic fish and disease-carrying air

Over the past eight years, for example, fish in the northern Gulf of Mexico have begun to be poisoned by ciguatera derived from toxins in algae that are more common in the tropics but that now thrive in the Gulf's warming waters, clinging to oil rigs.

Soggy Vancouver Island in British Columbia has become an unlikely new home for *Cryptococcus gattii*, a tropical and subtropical yeast-based fungus that causes lung disease and a kind of meningitis when it is inhaled. Scientists think the fungus hitched a ride in ballast water from ships and was able to survive in the northwest because of higher temperatures.

The symposium, which was held at Department of Health and Human Services headquarters on Wednesday and Thursday, brought together climate and health researchers from academia with state and local public health administrators from states that have received funding from CDC and NIH's National Institute of Environmental Health Sciences to look at the local health effects of climate change to find ways to minimize them.

"What we're doing is bringing the researchers into the same room as the people who are doing the public health response," Luber said.

Participants at the meeting heard from panelists on issues like the effects of climate change on the inner city, managing heat exposure in the rural South and the lack of air conditioning in Washington state nursing homes.

Simon Mason of the International Research Institute for Climate and Society said climate scientists needed to better understand what information public health administrators need in order to keep populations safe.

For example, he said, there are plenty of data about weather patterns now and what they are likely to be many decades from now, but that may not help a city or state plan for changes in the midterm.

#### A near-term void in health science

"Predicting the next 10 years, that's still pretty much of a data loss," he said.

Luber said the intersection of health and climate science is as complex as it is new. Systems are still being developed to allow researchers to look at disease occurrence in the context of weather data and to see how they interact. "That's not easy," he said.

CDC's climate and health program started in 2009, though Luber laid the groundwork for it on his own beginning in 2005. Its work began with a focus on science but has expanded to helping state and local health officials integrate climate change into their other operations. It now funds programs in 16 states and two cities.

The program took off under the Obama administration, but Luber said it has more to do with the state of science than the state of politics. The 2007 Intergovernmental Panel on Climate Change report established that man-made global warming was happening, which required health scientists to take it seriously.

Luber dismissed the continued debate over climate science in the political sphere.

"The whole dialogue about climate deniers, that's irrelevant to me," he said. "I look at the science, and if somebody is a denier, they should look at the science, too."

Knowlton of NRDC, who worked with Luber and a team of contributing health scientists to write the chapter last year, said it was intended to educate the American public, including policymakers.

"The effort is intensely policy-relevant, but it can't be policy prescriptive," she said. While the assessment will help lawmakers have a clearer sense of the state of the science on climate and health, she said, it makes no policy recommendations.

But Knowlton was not shy about advocating for funding for climate and public health programs, which are expected to face tighter budgets in the coming years.

"The budget is at risk on this issue, at a time when both exposures and vulnerability is increasing," she said. "It benefits all of us to support that in the strongest possible way."

Some of these proposed reductions are coming from the White House itself. The president's budget for fiscal 2013 asked for only \$4.8 million for CDC's climate change programs, down from \$7.4 million the previous year. The budget is yet to be acted on by Congress.

HHS' climate-related programs are one example of a larger push by federal agencies to make strides on climate change adaptation and mitigation in the absence of action from Congress. Capitol Hill is expected to produce little or no climate-related legislation this Congress, but Rep. Lois Capps (D-Calif.) has said she plans to reintroduce a bill soon that she sponsored in the 111th Congress to establish a strategy at HHS for addressing the public health effects of climate change.

#### THE LEADER IN ENERGY & ENVIRONMENTAL POLICY NEWS

#### **17. WATER:**

#### Sewage treatment facilities can be green centers -- report

Annie Snider, E&E reporter
Published: Friday, February 1, 2013

Wastewater treatment plants, which once sent barely treated effluent, chemicals and soap suds into the nation's waterways, are on their way to becoming centers of environmental stewardship, a new report contends, laying out policies needed to spread the trend.

The National Association of Clean Water Agencies and two other water organizations released a **report** laying out a vision for the "Utility of the Future."

It imagines utilities that are efficient and business-focused, that tap revenue streams from selling bio-solids and producing renewable energy and that are key players in a watershed community focused on the smartest and most cost-effective ways of improving overall water quality.

"These actions benefit the utility in the form of reduced costs and increased revenues," the report states. "But they also deliver environmental, economic and social benefits both locally and nationally."

Already, some water utilities have started down this path, reclaiming and reusing water, extracting and selling nutrients for commercial use, generating renewable energy from sewage and turning to green infrastructure rather than building expensive new hard structures to manage stormwater.

The Milwaukee Metropolitan Sewerage District, for instance, is angling to cut its energy use 90 percent and meet its remaining needs with renewable energy. And earlier this year it received one of the country's first wastewater discharge permits requiring "green infrastructure" to collect and absorb stormwater.

Washington, D.C.'s wastewater treatment agency rebranded itself as "DC Water" with a slick green and blue logo in 2010, both in a bid to overcome its tarnished public image following problems with waterborne lead and to emphasize an expanded vision of its role in the community.

"Gradually, over time, what happened is a recognition [by wastewater treatment utilities] that their responsibility was much greater than treating sewage," said Ken Kirk, executive director of the National Association of Clean Water Agencies. "Their responsibility was to provide and ensure public health, a safe environment, and clean water -- which has had an incredible impact on urban America in terms of property values, swimming and fishing."

But water agencies won't be able to achieve all their goals as long as the legislative and regulatory paradigm is stuck in the past, the report contends. When the Clean Water Act was written 40 years ago, sewage was the primary source of pollution into the nation's waterways. But today, with technological advances that have dramatically stanched the flow from water utilities, most pollution is coming from "nonpoint sources" such as runoff from farms and suburban lawns, which are not regulated under the Clean Water Act. This leaves U.S. EPA to squeeze smaller and smaller improvements -- which are each more and more expensive -- from point sources.

"We're pretty much at the margin," George Hawkins, general manager of DC Water and a former EPA official, told *Greenwire* in November. "The marginal cost to get out that next increment of protection is incredibly expensive."

The new blueprint lays out a number of such issues that the groups say will need to be addressed in order to fully realize their vision for modern water utilities. While some of the recommendations would require

amendments to the landmark water law -- a controversial issue among environmentalists who worry that opening up the Clean Water Act during a period of fierce political discord could end up weakening the law -- others could be addressed at the state level or through regulation.

Actions identified by the report include: reforming the Total Maximum Daily Load process whereby states and EPA put impaired waterways on a "pollution diet," providing tax credits and other incentives for utilities to generate renewable energy, amending state-level requirements for the use of State Revolving Funds to make water reuse projects eligible and encouraging better coordination among the nine federal agencies that have a role in water reuse policies.

To help with all this, the blueprint calls for the creation of a congressional caucus that would rally water sector experts and lawmakers around these issues. It also suggests an intergovernmental effort to improve resilience to extreme weather events like Superstorm Sandy and Hurricane Katrina, which overwhelmed infrastructure, washing massive amounts of untreated sewage into waterways.

"This blueprint is a first salvo in trying to conceive of a new way of doing business that is both economically viable, environmentally viable and socially viable," Kirk said. "We're hoping to make the case to Congress and EPA that there are things that they can do that won't cost a lot of money but will at the same time provide significant assistance to utilities and communities as they go forward."

**Click here** to read the blueprint.

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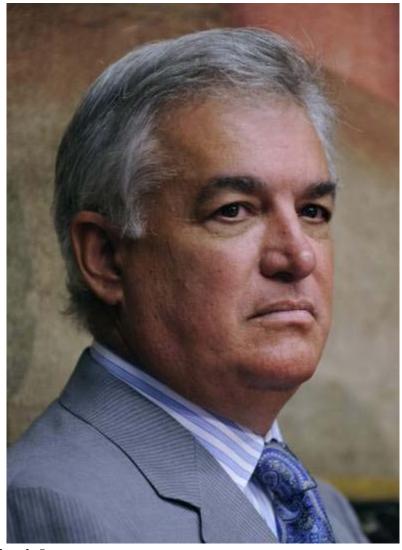
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Print preview Page 1 of 3

## Bernhard in running for post

by jordan blum

Advocate Washington bureau



J.M. Bernhard, Jr.

WASHINGTON — U.S. Energy Secretary Steven Chu, who won a Nobel Prize in physics but came under questioning for his handling of a solar energy loan, is stepping down and a Baton Rouge businessman may be up for the post.

Chu offered his resignation to President Barack Obama in a letter Friday. He said he would stay on at the Department of Energy at least until the end of February and may stay until a successor is confirmed. Print preview Page 2 of 3

Jim Bernhard, founder of The Shaw Group Inc., of Baton Rouge, said he is in the running to replace Chu, WBRZ-TV reported Friday. Bernhard did not return two calls from The Advocate seeking comment.

Bernhard said several others also are being considered, according to WBRZ. Bernhard recently sold Shaw to Texas-based CB&I for more than \$3 billion.

White House spokeswoman Joanna Rosholm declined to comment about Bernhard, except to say there are no new personnel announcements to make regarding the energy secretary. A White House news release of Obama's priorities would remain unchanged.

Sen. Mary Landrieu, D-La., said in an email response that Bernhard would make a great choice. "Jim Bernhard is an industrialist and an environmentalist who has dedicated his life to being a responsible steward of our natural resources," Landrieu stated.

Don Briggs, president of the Louisiana Oil and Gas Association, a trade group, also endorsed the selection of Bernhard. "He understands the energy business and he comes from an energy state."

The Energy Department oversees energy, environmental and nuclear issues for the federal government.

Rep. Steve Scalise, R-Jefferson, said he has heard Bernhard's name mentioned as a potential candidate to replace Chu. But Scalise said he does not know whether Bernhard is being considered within a pool of "two or 20" contenders.

Scalise said Bernhard would represent a big improvement over Chu, whom he called "one of the worst energy secretaries ever."

"Jim Bernhard is pro-energy and he'd be one of the few in the Obama industry with real-world experience in creating jobs," Scalise said.

The departure of Chu, the 64-year-old former director of the Lawrence Berkeley National Lab in California, had been widely expected and follows announcements by Interior Secretary Ken Salazar, Environmental Protection Agency chief Lisa Jackson and Jane Lubchenco, head of the National Oceanic and Atmospheric Administration, that they are leaving.

Obama said in a statement Friday that Chu brought a "unique understanding of both the urgent challenge presented by climate change and the tremendous opportunity that clean energy represents for our economy." Print preview Page 3 of 3

During his tenure, Chu helped move the country toward energy independence, Obama said, referring to billions of dollars in Energy Department loans to boost renewable energy such as wind and solar power.

"Thanks to Steve, we also expanded support for our brightest engineers and entrepreneurs as they pursue groundbreaking innovations that could transform our energy future," Obama said.

In a letter to Energy Department employees, Chu said he was proud of his tenure and cited dozens of accomplishments, including doubling the production of renewable energy from wind and solar power. Installations of solar electric systems have nearly doubled in each of the last three years, he said, while fully 42 percent of new energy capacity in the U.S. last year was from wind — more than any other energy source.

"I came with dreams and am leaving with a set of accomplishments that we should all be proud of," he said.

One of his accomplishments was something that Chu rarely talked about, but was frequently cited by Obama: Chu's role in helping to plug the massive BP oil leak in the Gulf of Mexico. Chu and a team of engineers helped devised an interim solution before a replacement well permanently plugged the leak, which spewed more than 200 million gallons of oil in the worst offshore oil disaster in the country's history.

Chu came up with the solution "when nobody else could figure it out," Obama said Friday. "And that's typical of the incredible contributions that he's made to this country."

Mark Ballard and Michelle Millhollon of The Advocate Capitol news bureau and Matthew Daly of The Associated Press contributed to this report.

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